



GOVERNOR'S OFFICE OF ENERGY

SMALL BUSINESS IMPACT STATEMENT

LCB file number: R065-13

Before conducting a workshop on a proposed regulation, the agency must determine whether the regulation is likely to "[i]mpose a direct and significant economic burden upon a small business" or "[d]irectly restrict the formation, operation or expansion of a small business." NRS 233B.0608(1). A small business is defined as a business conducted for profit that employs fewer than 150 full-time or part-time employees. NRS 233B.0382. If the agency concludes that the proposed regulation is likely to have such an impact, it must (1) "Insofar as practicable, consult with owners and officers of small businesses that are likely to be affected by the proposed regulation," (2) "Consider methods to reduce the impact of the proposed regulation on small businesses,"²² and (3) "Prepare a small business impact statement and make copies of the statement available to the public at the workshop conducted and the public hearing held pursuant to NRS 233B.061." NRS 233B.0608(2). For all regulations, "[t]he agency shall prepare a statement identifying the method used by the agency in determining the impact of a proposed regulation on a small business." NRS 233B.0608(3).

1. The method in which comment was solicited from potentially affected small businesses: The Legislature, through its hearings and deliberations regarding 2009 AB 522 (subsequently codified as NRS 701A.300 through 701A.450) and 2013 AB 239, received testimony and evidence regarding the impact that AB 522 and AB 239 would have upon small business in Nevada.
2. Estimated Economic Effect of the Proposed Amended Permanent Regulations on the Business, which it is to Regulate and the Public.
 - a) Adverse and Beneficial Effects. The Legislature concluded that AB 522 and AB 239 would and was intended to have only positive impacts upon small business by encouraging and promoting small businesses to construct and operate renewable energy power generation facilities in Nevada.

The original mechanism chosen by the Legislature in AB 522 to effectuate its intent was to offer businesses partial abatements of sales and use taxes for three years and property taxes for twenty years for the construction and operation of such facilities. This was unchanged by AB 239.

- b) Immediate and Long-Term Effects. The proposed regulations are intended to effectuate the Legislative intent and will not and are intended not to have any negative impact upon small

businesses. The proposed regulations are and will have positive effects on small businesses that will be subject to the proposed regulations.

3. Estimated Cost to Enforce the Proposed Regulation: The changes proposed by the Office of Energy should not incur any new costs for the enforcement of the proposed regulation.
4. The proposed amended permanent regulations do not appear to overlap or duplicate regulations of other state or local governmental agencies.
5. The proposed regulations do establish a new fee. The Office of Energy was asked to estimate a fee based on hours spent on the administration of the program. A fee has been established and is explained under R064-13. A Small Business Impact Statement is not being completed for said regulation because the fee will not place a significant economic burden on small business. Those applying for a partial abatement of sales and use tax and/or property tax are investing millions of dollars in their project and the proposed fees are an insignificant percentage of that investment.
6. The proposed regulations do not include provisions that are more stringent than a federal regulation that regulates the same activity.